

mortgage portfolio for the prior year, or \$520 million, or a lesser amount determined by the director. The director determines either the higher amount possesses a safety or soundness concern.

But what this amendment actually does, it reduces the amount available in the affordable housing program from an estimated \$600 million a year down to \$520 million a year. But it goes more than that. It just doesn't cap that. It would also cap the amount that the \$520 million, even if the actual funds under the formula exceeded the estimated \$600 million a year.

Chairman FRANK has put a very creative measure in. He has tagged it to no set amount, he just put it at 1.2 of the basic points so it allows a free marketplace. And then it allows these GSEs and the shareholders, based upon the profit that they make, to take some of that and help the most needy among us.

This has, indeed, been a tremendous debate tonight. We have been going at it since 5 o'clock this afternoon. But it has been worth it because there is no greater thing you can do for your fellow citizens than make sure they have a roof over their heads.

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN. Members on both sides are reminded to address their comments to the Chair.

Ms. JACKSON-LEE of Texas. I move to strike the requisite number of words.

I want, first of all, to start with a loud applause for the Financial Services Committee. As I said in my office, to see this story unfold, something that has never happened in this Congress during the tenure that I have had, is a real legislative initiative that addresses the question of the deficit in housing in America.

This bill, for the first time, will provide a stable and well-regulated mortgage market. And my good friend from Texas, the spirit that he has offered this amendment, I assume that he is both serious, and, of course, concerned. But coming from Texas as well, I don't know how many Texans my good friend speaks for because this particular Affordable Housing Fund does start off the first year in funding the devastation of Louisiana and Mississippi, but what it continues to do is provide a \$500, \$600 million affordable Housing Trust Fund that the people of Texas will benefit from.

□ 0030

Maybe my good friend has not been to East Texas and seen the devastation of Hurricane Rita. Those people, just a few miles down from Houston, are still living without housing.

This is a very measured legislative initiative, for the fund prohibits any hanky-panky. It has nothing to do with administrative costs, political activities, advocacy, lobbying, counseling, travel expense, preparation or advice on tax returns. It is all about housing.

It even limits administrative costs. And it is sunsetted after 5 years.

We in Houston are still suffering from Storm Allison, and an affordable housing plan will allow housing to be restored to those who are unable to find housing. In fact, what this particular legislation will do is to answer the question why 71 percent of extremely low income renters pay more than half of their income for housing and 64 percent of homeowners who are low income pay more than half. There is a housing crisis. Right now there is an epidemic of foreclosures because of a broken mortgage system that has preyed upon eager Americans to be able to buy a home.

The capping of this strategic and innovative formula for affordable housing will only dumb-down the opportunities for people to gain housing. I can assure you that the throngs of Americans are begging for the passage of this legislation tonight, because all an American wants to do when you hear them talk about we all are created equal with certain inalienable rights, it is all about the quality of life, the ability to send a child to school for a good education, a good home and good healthcare.

My friend talks about money, \$520 million, it may go up a bit, for one year. We are spending \$1 billion a day almost in Iraq and certainly we have a difference of opinion on that use of money. But the real question is, what can we do to fix the broken predatory lending system, the broken mortgage system, the lack of housing for people who want housing? We can pass H.R. 1427.

It is interesting that I am looking at a letter to our colleagues, and it says signed by BARNEY FRANK, MEL WATT, RICHARD BAKER and GARY MILLER. To me, that seems like a bipartisan commitment to this reform.

So I am confused by the gentleman's amendment to cap and to dumb down this affordable housing trust fund that would in fact provide money for Texas. Those of us in Houston in districts like mine and districts that are surrounding all know of the many hard-working survivors who are in our community trying to make it from Hurricane Katrina and Hurricane Rita. We have ceased calling anyone a deadbeat or someone who doesn't want to work or doesn't want housing. I would venture to say if you walked along any block, inner-city block, you would find people saying give me an opportunity.

Chairman FRANK, all I see in this bill is an opportunity; a regulated, precise opportunity for affordable housing, and I ask my colleagues to defeat the Neugebauer amendment and vote for H.R. 1427.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. NEUGEBAUER).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. NEUGEBAUER. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas will be postponed.

Mr. FRANK of Massachusetts. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Ms. JACKSON-LEE of Texas) having assumed the chair, Mr. ALTMIRE, Acting Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 1427) to reform the regulation of certain housing-related Government-sponsored enterprises, and for other purposes, had come to no resolution thereon.

#### DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FRANK of Massachusetts. Madam Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### ADJOURNMENT TO MONDAY, MAY 21, 2007

Mr. FRANK of Massachusetts. Madam Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10:30 a.m. on Monday next for morning-hour debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### DAY THREE OF THE FOOD STAMP CHALLENGE

(Mr. MCGOVERN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCGOVERN. Madam Speaker, today is the third day of my week on the Food Stamp Challenge, where public officials live for 1 week on a food stamp budget in order to raise awareness about the Food Stamp Program. Representatives JO ANN EMERSON, TIM RYAN, and JAN SCHAKOWSKY are also taking part.

Although critics of the Food Stamp Program frequently speculate that it runs rampant with fraud, waste, and abuse, this is simply and utterly untrue. Don't just take my word for it. Go ask the Government Accountability Office. According to the GAO, the Food Stamp program currently operates at

historically low error rates. Between 1999 and 2005, the national payment error rate declined 40 percent to an all-time low of 5.84 percent. In addition, there are incentives built into the program so that States are rewarded for low error rates and may be fined if they are underperforming.

By any measure the Food Stamp Program is an example of an efficiently run government program. I will insert into the RECORD the highlights of the GAO testimony before the Senate on payment errors and trafficking.

[From Highlights, Jan. 31, 2007]

FOOD STAMP PROGRAM  
WHY GAO DID THIS STUDY

The U.S. Department of Agriculture's (USDA) Food Stamp Program is intended to help low-income individuals and families obtain a better diet by supplementing their income with benefits to purchase food. USDA's Food and Nutrition Service (FNS) and the states jointly implement the Food Stamp Program, which is to be authorized when it expires in fiscal year 2007. This testimony discusses our past work on two issues related to ensuring integrity of the program: (1) improper payments to food stamp participants, and (2) trafficking in food stamp benefits.

This testimony is based on a May 2005 report on payment errors (GAO-05-245) and an October 2006 report on trafficking (GAO-07-53). For the payment error report, GAO analyzed program quality control data and interviewed program stakeholders, including state and local officials. For the trafficking report, GAO interviewed agency officials, visited field offices, conducted case file reviews, and analyzed data from the FNS retailer database.

WHAT GAO FOUND

The national payment error rate for the Food Stamp Program combines states' overpayments and underpayments to program participants and has declined by about 40 percent between 1999 and 2005, from 9.86 percent to a record low of 5.84 percent, due in part to options made available to states that simplified program reporting rules. In 2005, the program made payment errors totaling about \$1.7 billion. However, if the 1999 error rate was in effect in 2005, program payment errors would have been \$1.1 billion higher. FNS and the states we reviewed have taken several steps to improve food stamp payment accuracy, most of which are consistent with internal control practices known to reduce improper payments. These include practices to improve accountability, perform risk assessments, implement changes based on such assessments, and monitor program performance.

FNS estimates indicate that the national rate of food stamp trafficking declined from about 3.8 cents per dollar of benefits redeemed in 1993 to about 1.0 cent per dollar during the years 2002 to 2005 and that trafficking occurs more frequently in smaller stores. FNS has taken advantage of electronic benefit transfer and other new technology to improve its ability to detect trafficking and disqualify retailers who traffic. Law enforcement agencies have investigated and referred for prosecution a decreasing number of traffickers; they are instead focusing their efforts on fewer high-impact investigations. Despite the progress FNS has made in combating retailer trafficking, the Food Stamp Program remains vulnerable because retailers can enter the program intending to traffic and do so, often without fear of severe criminal penalties, as the declining number of investigations referred for prosecution suggests.

While both payment errors and trafficking of benefits have declined in a time of rising participation, ensuring program integrity remains a fundamental challenge facing the Food Stamp Program. To reduce program vulnerabilities and ensure limited compliance-monitoring resources are used efficiently, GAO recommended in its October 2006 trafficking report that FNS take additional steps to target and provide early oversight of stores most likely to traffic; develop a strategy to increase penalties for trafficking, working with the Inspector General as needed; and promote state efforts to pursue recipients suspected of trafficking. FNS generally agreed with GAO's findings, conclusions, and recommendations. However, FNS believes it does have a strategy for targeting resources through their use of food stamp transaction data to identify suspicious transaction patterns. GAO believes that FNS has made good progress in its use of these transaction data; however, it is now at a point where it can begin to formulate more sophisticated analyses.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. HARMAN (at the request of Mr. HOYER) for today after 12 noon on account of official travel.

Mrs. JONES of Ohio (at the request of Mr. HOYER) for today on account of death in the family.

Mrs. JONES of Ohio (at the request of Mr. HOYER) for May 14.

Mr. WYNN (at the request of Mr. HOYER) for May 16 after 4 p.m.

Mr. BAIRD (at the request of Mr. HOYER) for today through May 22.

ADJOURNMENT

Mr. FRANK of Massachusetts. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 36 minutes a.m.), under its previous order, the House adjourned until Monday, May 21, 2007, at 10:30 a.m., for morning-hour debate.

EXECUTIVE COMMUNICATIONS,  
ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1816. A letter from the Comptroller, Department of Defense, transmitting the Secretary's certification that the current Future Years Defense Program (FYDP) fully funds the support costs associated a multi-year procurement for the V-22 Osprey, pursuant to 10 U.S.C. 2306b(i)(1)(A); to the Committee on Armed Services.

1817. A letter from the General, Department of the Army, Department of Defense, transmitting a letter regarding the U.S. Army Training and Doctrine Command (TRADOC); to the Committee on Armed Services.

1818. A letter from the Under Secretary for Personnel and Readiness, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General Steven W. Boutelle, United States Army, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

1819. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Singapore pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

1820. A letter from the Secretary, Department of Education, transmitting the Department's final rule — Title I — Improving the Academic Achievement of the Disadvantaged; Individuals With Disabilities Education Act (IDEA) — Assistance to States for the Education of Children with Disabilities (RIN: 1810-AA98) received May 14, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

1821. A letter from the Secretary, Department of Labor, transmitting a copy of proposed legislation entitled, "Workforce Investment Act Amendments of 2007"; to the Committee on Education and Labor.

1822. A letter from the Chairman, Occupational Safety and Health Review Commission, transmitting the Commission's report on the amount of the acquisitions made from entities that manufacture the articles, materials, or supplies outside of the United States in fiscal year 2006, pursuant to Public Law 109-115, section 837; to the Committee on Education and Labor.

1823. A letter from the Director, International Cooperation, Department of Defense, transmitting Pursuant to Section 27(f) of the Arms Export Control Act and Section 1(f) of Executive Order 11958, Transmittal No. 02-07 informing of an intent to sign the Special Forces Equipment Capability Memorandum of Understanding between the United States and Australia, pursuant to 22 U.S.C. 2767(f); to the Committee on Foreign Affairs.

1824. A letter from the Secretary, Department of the Treasury, transmitting a six month periodic report on the national emergency with respect to the Democratic Republic of the Congo that was declared in Executive Order 13413 of October 27, 2006, pursuant to 50 U.S.C. 1641(c); to the Committee on Foreign Affairs.

1825. A letter from the Secretary, Department of the Treasury, transmitting as required by Executive Order 13313 of July 31, 2003, a six-month periodic report on the national emergency with respect to the Development Fund for Iraq that was declared in Executive Order 13303 of May 22, 2003, pursuant to 50 U.S.C. 1641(c); to the Committee on Foreign Affairs.

1826. A letter from the Secretary, Department of the Treasury, transmitting as required by Executive Order 13313 of July 31, 2003 a six-month periodic report on the national emergency with respect to Burma declared by Executive Order 13047 of May 20, 1997, pursuant to 50 U.S.C. 1641(c); to the Committee on Foreign Affairs.

1827. A letter from the Secretary, Department of the Treasury, transmitting a six month periodic report on the national emergency with respect to Sudan that was declared in Executive Order 13067 of November 3, 1997, pursuant to 50 U.S.C. 1641(c); to the Committee on Foreign Affairs.

1828. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting Copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on Foreign Affairs.

1829. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 17-39, "Human Papillomavirus Vaccination and Reporting Act of 2007," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Oversight and Government Reform.

1830. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 17-40, "Lorraine H.